1 Honorable Robert J. Bryan 2 3 4 5 6 7 IN THE UNITED STATE DISTRICT COURT FOR THE WESTERN DISTRICT OF WASHINGTON 8 AT TACOMA 9 10 GEORGE DC PARKER II and LORI A. PARKER. 11 NO. 3:23-cv-05069-RJB Plaintiffs, 12 DEFENDANT THE SOCIETY FOR ٧. CREATIVE ANACHRONISM'S REPLY 13 THE SOCIETY FOR CREATIVE TO PLAINTIFFS' OPPOSITION TO ANACHRONISM, INC., a/k/a/ "SCA" or MOTION TO VACATE DEFAULT 14 "SCA, Inc.", et.al, JUDGMENT 15 Defendant. HEARING DATE: JUNE 9, 2023 16 17 18 **REPLY** 19 COMES NOW The Society for Creative Anachronism ("SCA") and submits this 20 Reply to Plaintiff's Opposition to Motion to Vacate Default Judgment. As this Reply will 21 demonstrate, Plaintiff's arguments made in opposition to the SCA's motion clearly show 22 a misunderstanding of what the law requires them to establish for this Court to deny the 23 SCA relief. 24 25 DEFENDANT THE SOCIETY FOR CREATIVE PREG O'DONNELL & GILLETT PLLC ANACHRONISM'S REPLY TO PLAINTIFFS' 901 FIFTH AVE., SUITE 3400 OPPOSITION TO MOTION TO VACATE DEFAULT SEATTLE, WASHINGTON 98164-2026 JUDGMENT - 1 TELEPHONE: (206) 287-1775 • FACSIMILE: (206) 287-9113

11010-0002 5912231 NO. 3:23-cv-05069-RJB The parties agree that in considering a motion to set aside a default judgment, this

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Court must look at three factors: (1) whether the culpable conduct of the defendant led to the default, (2) whether the Defendant has a meritorious defense, and (3) whether the opposing party would be prejudiced if the judgment is set aside. Francise Holding II LLC v. Hunting Rest. Group, Inc. 375 F. 3d 922, 926 (9th Cir. 2004). In other words, to deny the SCA's Motion, Plaintiffs must prove intentional, culpable actions on the SCA's part in failing to answer the complaint, must show that the SCA has no defenses to this lawsuit and must show they were prejudiced. Plaintiffs have failed on all three factors and this Court should now grant the SCA's motion to vacate.

1. Plaintiffs have failed to provide any facts that the SCA was culpable.

On a Rule 60(b) motion, the Court will accept the allegations of the movant's factual statements. Falk v. Allen, 739 P. 2d 461, 463 (9th Cir. 1984). The SCA's factual statements include the following:

- On May 16, 2023, in-house counsel for the SCA learned for the first time that this lawsuit had been filed through court listener.
- On May 17, 2023 the SCA contacted CT Corporation to inquire about service of this lawsuit.
- On May 18, 2023 the SCA's insurer was contacted and counsel in Washington State was sought.
- On May 19, 2023 counsel appeared for the SCA.
- On May 23, 2023 seven days after learning about this lawsuit and two court days after counsel appeared the motion to set aside default was filed.

A defendant's conduct is culpable if the defendant "has received actual or constructive notice of the filing of the action and **intentionally** failed to answer." TCI Group Life Ins. Plan v. Knoebber, 244 F. 3d. 691, 697 (9th Cir. 2001) (quoting Alan

Neuman Prods., Inc. v. Albright, 862 F.2d 1388, 1392 (9th Cir. 1988) (internal quotation marks omitted) (emphasis in original). The Court has found that culpability involves "not simply nonappearance following receipt of notice of the action", as in this case, but rather "conduct which hindered judicial proceedings." Id., citing *Gregorian v. Izvestia*, 871 F. 2d 1515, 1522 (9th cir. 1989).

Plaintiffs offer no evidence and make no argument that the SCA intentionally failed to answer their complaint or that by doing so, the SCA hindered judicial proceedings. Neglectful failure to answer a complaint to which the defendant offers a credible, good faith explanation negating any intention to take advantage of the opposing party, interfere with judicial decision making, or otherwise manipulate the legal process is not 'intentional' ... and is therefore not necessarily ... culpable or inexcusable." *Id.* (emphasis omitted). Ultimately, a defendant's neglectful failure to answer, without more, is typically not "culpable" unless "there is no explanation of the default inconsistent with a devious, willful, or bad faith failure to respond." *Id.* at 698.

Here, the SCA did not receive actual notice that service had been effectuated on CT Corporation until May 16, 2023 – the day Plaintiffs filed their motion for default. Dkt. 16. While SCA received an electronic notice about the lawsuit on May 14, it was not until May 16, 2023, when it was able to confirm with CT Corporation that it's agent mistakenly mailed the notice to the wrong address. *Id.* There is no suggestion or evidence that the SCA deliberately tried to manipulate the legal system by failing to answer the complaint within 20 days. The SCA's prompt attention to this matter after it learned about the motion for default and diligence in seeking to set aside the default judgment reveals no disrespect

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for the courts. Dkt. 20. The undisputed facts of this case lead to the irrefutable conclusion that default judgment should now be set aside because there was no culpable conduct by the SCA.

# 2. The SCA has demonstrated that it has Meritorious Defenses to Plaintiffs claims.

A defendant seeking to vacate a default judgment must present specific facts that would constitute a defense. See TCI Group Life Ins. Plan, 244 F.3d at 700 (citing Madsen v. Bumb, 419 F.2d 4, 7 (9th Cir. 1969)). The burden on defendant is relatively low, and courts leave questions regarding the truth of any such factual allegations for a later stage in the litigation. Id. (internal citations omitted) (emphasis added). In its motion, The SCA provided facts in defense of this lawsuit. These facts are meritorious and worth repeating:

- The allegations raised in Plaintiffs' complaint are based entirely on Plaintiffs' accounting of conversations and actions from others involved in the SCA community whom they have named specifically.
- Many of Plaintiffs' claims as alleged in their complaint occurred on Facebook. The SCA has no control over what happens on Facebook and what conduct Facebook users choose to engage in while on this media platform.
- As part of Plaintiffs' first cause of action in negligence, Plaintiffs claim a hostile work environment. The SCA owed Plaintiffs no duty regarding the comments or actions of Plaintiffs peers in this organization. Much of the activity complained about in Plaintiffs' complaint is outside of the control of the SCA.
- Plaintiffs complain they were not voted into the positions of Baron and Baroness by the SCA membership. SCA cannot control the manner in which its members vote.
- Plaintiffs default is based, in part, on punitive damages claim which is not viable in Washington State for state-based causes of action.

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In response to the SCA's claims, Plaintiffs' state no less than six times that they deny the SCA's claims. Once again, Plaintiffs do not understand what they need to demonstrate. Whether they deny the SCA's claims or whether these claims are truthful are questions left for a later stage of the litigation. Instead, Plaintiffs must show that the SCA's factual claims do not demonstrate a single meritorious defense. Simply stating they deny them or making a legal determination that, in their opinion, RCW 4.16.080(2) does not apply to the facts of this matter is not enough.

Here, the SCA has alleged specific facts sufficient to constitute meritorious defenses to Plaintiff's causes of action on which Plaintiffs previously obtained default judgment. The SCA's legal arguments are non-frivolous, and this factor weighs in favor of setting aside default.

# 3. Plaintiffs entirely ignore prejudice.

To be prejudicial, the setting aside of a judgment must result in greater harm than simply delaying resolution of the case. Rather, "the standard is whether [plaintiff's] ability to pursue his claim will be hindered." Falk, supra, 739 F.2d at 463; see also Thompson v. Am. Home Assur. Co., 95 F.3d 429, 433-34 (6th Cir. 1996) (to be considered prejudicial, "the delay must result in tangible harm such as loss of evidence, increased difficulties of discovery, or greater opportunity for fraud or collusion").

#### The Court stated

It should be obvious why merely being forced to litigate on the merits cannot be considered prejudicial for purposes of lifting a default judgment. For had there been no default, the plaintiff would of course have had to litigate the merits of the case, incurring the costs of doing so. A default judgment gives the plaintiff something of a windfall by sparing her from litigating the merits of her claim because of her opponent's failure to respond; vacating the default judgment merely restores the parties to an even footing in the

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litigation. See Bateman, 231 F.3d at 1225 (no prejudice simply because a party loses a quick victory due to an opponent's procedural default and must litigate on the merits).

TCI Group supra at 701.

Plaintiffs made no argument at all regarding prejudice. Clearly, they have no argument to make.

#### CONCLUSION

Default judgments should constitute measures of last resort and motions to set aside default should be liberally granted. *TCI Group Life Ins. Plan v. Knoebber*, 244 F. 3d 691, 696 (9<sup>th</sup> Cir. 2001). A default judgment is "acceptable only in severe circumstances," *Falk v. Allen*, 739 F. 2d 461, 463 (9<sup>th</sup> Cir. 1984). Thus, in order for this Court to deny the SCA's motion to set aside default judgment, this Court must find severe circumstances exist in this case. Merely mistakenly failing to answer a complaint within days of the deadline to do so when meritorious defenses exist and with no prejudice to the Plaintiffs does not demonstrate a severity of circumstances. In sum, the good-cause factors identified by the Ninth Circuit all favor setting aside default and the SCA's Motion should now be granted.

I certify that his memorandum contains 1466 words in compliance with the local Civil Rules.

DATED this 5th day of June, 2023.

PREG O'DONNELL & GILLETT PLLC

### s/Justin E. Bolster

Justin E. Bolster, WSBA #38198 Debra Dickerson, WSBA# 20397 Attorneys for Defendant The Society for Creative Anachronism, Inc., a/k/a/ SCA, Inc.

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# **DECLARATION OF SERVICE**

1 2 I hereby declare that on this day I electronically filed the foregoing document with the Clerk 3 of the Court using the CM/ECF system, which will send notification of such filing to the attorneys 4 of record listed below: 5 **Counsel for Plaintiffs George DC** 6 Parker II and Lori A. Parker: George DC Parker II 7 Lori A. Parker 10710 199th Street East 8 Graham, WA 98338 9 Via Messenger Via Facsimile -10 X Via U.S. Mail, postage prepaid Via Overnight Mail, postage prepaid 11 X Via Court E-Service or email with recipient's approval thenorsegypsyforge@gmail.com 12 DATED at Seattle, Washington, this 5th day of June, 2023. 13 14 /s/ Justin E. Bolster Justin E. Bolster, WSBA #38198 15 16 17 18 19 20 21 22 23

DEFENDANT THE SOCIETY FOR CREATIVE ANACHRONISM'S REPLY TO PLAINTIFFS' OPPOSITION TO MOTION TO VACATE DEFAULT JUDGMENT - 7 11010-0002 5912231 NO. 3:23-cy-05069-RJB

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